

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

IN THE MATTER OF THE APPLICATION)
OF OWEN COUNTY RURAL ELECTRIC)
COOPERATIVE CORPORATION FOR AN) CASE NO. 9578
ORDER ISSUING A CERTIFICATE OF)
PUBLIC CONVENIENCE AND NECESSITY)

O R D E R

It is Ordered that Owen County Rural Electric Cooperative Corporation ("Owen County") shall file three copies of the following information with the Commission within ten days from the date of this Order. Failure to file the information within this time, or to request and receive an extension of time, may result in the case being dismissed.

1. Provide a copy of the loan agreement between Owen County and the National Rural Utilities Cooperative Finance Corporation ("CFC").

2. Provide a detailed description of any other financing options that were considered in securing the CFC loan. This response should include the reason(s) that CFC financing was selected over other options as well as the results of any studies conducted which support the use of CFC financing.

3. What consideration has Owen County given to the various loan programs available through CFC? Explain which option Owen County anticipates selecting at this time.

4. Provide the additional debt service requirements associated with the Rural Electric Administration ("REA") loan and the CFC loan.

5. Provide an amortization schedule of the proposed loan from CFC.

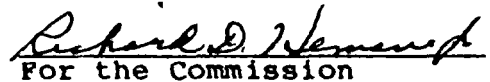
6. Provide the current interest rates on both CFC fixed rate and variable rate loans.

7. Will Owen County be able to meet its increased debt service requirements with the revenues generated by its existing rates?

8. REA Forms 740 C.

Done at Frankfort, Kentucky, this 16th day of June, 1986.

PUBLIC SERVICE COMMISSION


For the Commission

ATTEST:

Secretary